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S E C R E T RIYADH 000631

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E.O. 12958: DECL: 03/28/2027
TAGS: PGOV PREL PINR SA
SUBJECT: KING ABDULLAH ANNOUNCES NO CABINET CHANGES- DOES
HE MEAN IT?

REF: RIYADH 36

Classified By: Deputy Chief of Mission Michael Gfoeller
for reasons 1.4(b) and (d).

¶1. (U) King Abdullah issued a decree on March 22 extending
the term of the entire Council of Ministers for four years
and preserving their current portfolios. Media reported
positively on this announcement generally commenting that it
supports political stability in the Kingdom. The media also
cited political and economic analysts who stated that the
continuity of the ministers would "serve as a boost to the
Kingdom's five year plans as well as numerous economic city
projects." Overall the press praised the King's decision,
though it made no reference to previous rumors of proposed
massive changes to the Cabinet or gave any indication or
insight as to the reasons behind the King's decision.

¶2. (C) Despite the King's announcement, some government
officials do not believe it to be a lasting decision. A
Saudi member of the General Secretariat of the Supreme
Economic Council -- which is part of the Royal Diwan, the
advisory body to the King -- told PolOff on March 24 that the
recent announcement that the Cabinet will stay the same is a
ruse. He noted that although the English language papers
reported that the retention of the cabinet is for four years,
the Arabic language press specifically did not mention a
timeline. This contact claimed that his office went "crazy"
after hearing the news and thinks that there will be a new
announcement immediately following the Arab League Summit.
He also said that Secretary General of the Supreme Economic
Council and head of Capital Monetary Authority (CMA) Twaijeri
fears losing his job. He continued that everyone in the
government is "on edge" waiting for the next announcement. He
reiterated that the March 22 announcement was a total
surprise and, in his opinion, the fact that the King said
there would be no changes means that everyone will change--
and soon. Other Saudi interlocutors have also expressed
surprise at the announcement and generally predict a second
round of announcements.

¶3. (C) There are also rumors that the King's decision to
retain the Cabinet is the result of a conflict with Crown
Prince Sultan. Earlier in the day on March 22, King Abdullah
announced the return of Crown Prince Sultan to the Kingdom.
He later followed this announcement with his decision to
retain the current Cabinet - despite strong rumors to the
contrary. (NOTE: Sources state that calls were made to
determine the suitability of specific individuals identified
as potential candidates for some positions. END NOTE.)
According to some Saudi interlocutors, this timeline may
suggest that the King and Crown Prince were unable to agree
on key position changes and, therefore, the King opted to
avoid any conflict or rumors at such a significant time as
the Arab League Summit.

¶4. (S) COMMENT: Many of our Saudi interlocutors continue to

agree with previous assessments (reftel) that a
thorough-going change of the Cabinet should be expected. The
King's decision to retain the current Cabinet for an
additional four years came as a very big surprise to most
observers here, given the questionable performance of some
ministers, the controversy stirred up by others, and the poor
health of Foreign Minister Prince Saud Al Faisal. Due to the
SAG's renewed focus on the Arab Peace Initiative and Saudi
Arabia's expanding role as the key arbiter of regional
conflicts, it is uncertain when that announcement will occur.
 We believe that the SAG will defer any significant changes
to the Cabinet for the time being to help ensure domestic
stability while it heightens efforts to address the
Arab/Israeli conflict and other regional crises. END
COMMENT.
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